

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

Open Session

May 11, 2005

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, May 11, 2005 beginning at 9:27 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

William R. Roberts, President
George B. Beardsley, First Vice President
Thomas A. Gougeon, Vice President
Richard A. Kirk, Vice President
Denise S. Maes, Vice President

Board employees and others present during portions of the Meeting were:

H. J. Barry, Manager
P. L. Wells, General Counsel
D. B. LaFrance, Director of Finance
E. E. Pokorney, Director of Planning
M. L. Bassett, Director of Public Affairs
B. D. Good, Director of Operations & Maintenance
J. L. Diebel, Director of Engineering
C. Elam-Floyd, Manager of Human Resources
A. T. Spaulding, Manager of Purchasing
S. Duncan, Intergovernmental Affairs Coordinator
G. T. Malmberg, Sales Administrator
K. Kempke, Manager of Treasury Operations
S. Renouf, Community Affairs Specialist
C. R. Dermody, Manager of Information Technology
M. L. Walker, Attorney
J. H. Weldon, Engineer
A. Appell, Planner
C. Richards, Customer Service Supervisor
M. D. Waage, Water Resource Engineer
R. G. Steger, Water Resource Engineer

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P. Miller, Customer Care Manager
C. N. Strother, Engineer
T. Valdez, Manager of Warehousing
G. C. Fisher, Chief Planner
T. L. McGuire-Collier, Manager of Media Relations
M. Garcia, Jr., Engineer
R. Wattley, Customer Service Specialist
R. Maestas, IT Senior Database Manager
R. P. Blauvelt, Customer Service Field Manager
K. R. Keefe, Superintendent of Source of Supply
E. V. Gardener, Manager of Water Conservation
L. Firth, Manager of Community Relations
M. C. Price, Rate Analyst
B. Brown II, Planner
D. H. Kennedy, Planner
J. E. Crockett, Manager of Risk & Benefit
M. McAllister, Public Affairs
P. Williams, Administrative Executive Assistant
L. Billeter, Staff Analyst
L. Cesario, Engineer
K. D. Kuykendoll, Manager of Rate Administration
G. Visnic, Manager of Accounting
G. Zervos, Accountant
J. Clayburg-Moore, Customer Service Supervisor
J. DeGurse, Customer Service Supervisor
P. Gallegos, Customer Service Supervisor
T. Ross, Customer Service Specialist
C. Adams, IT Support Technician
L. Eatherton, Customer Service Supervisor
L. Luong, IT Support Technician
R. Saint Romain Jr., IT Application Developer
S. Balestri, IT Application Developer
K. Medina, Plan Review Coordinator
R. Hutchinson, Customer Service Specialist
David Decker, Systems and Software, Inc.
Dave Romero, Denver Parks and Recreation

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Walt Pettit, Wheat Ridge Water and Sanitation District
Pat Fitzgerald, Distributor's Liaison Representative, Platte Canyon Water
and Sanitation District and Southwest Metropolitan Water and
Sanitation District
Roberta Simonton, Citizens' Advisory Committee
Georgeann Becker, Becker Stowe & Bieber, LLC
Don Bieber, Becker Stowe & Bieber, LLC
Dave Hartkopf, Green Mountain Water & Sanitation District
Barbara Berr, Denver Foundation
Betsy Margone, Denver Foundation
Dave Irish, Bancroft Clover Water and Sanitation District
Brenda O'Brien, GreenCO
Alan Mathias, George K. Baum & Co.
Jim Sullivan, City of Arvada
Jerry Peña, MWH
Don Schlup, Scien-Turfic Sod
Amy Livingston, Colorado Environmental Coalition
Bob Bates, Bates Engineering, Inc.
Diana Horner, Bates Engineering, Inc.
James Legas, Citizens' Advisory Committee
Jerry Freyta, Denver Resident
Myrna Poticha, Citizens' Advisory Committee
Dennis Yockey, Grant, Thornton, LLP
Jodie Cates, Grant, Thornton, LLP

Media

Jim Hooley, KMGH-TV
Gregory Nieto, KWGN-TV
Karlyn Tilley, KCNC
Jerd Smith, Reporter, Rocky Mountain News
Kim McGuire, Reporter, Denver Post
Eddie Castro, Photographer, News 4
Mike Flannigan, Photographer, 7 News
Anna Mitchell, Photographer, 9 News
Greg Hunter, Photographer, WB2 News

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Commissioner Roberts called the meeting to order.

Upon motion regularly made, seconded and unanimously carried, the reading of the Minutes of the Regular Meeting of April 13, 2005 was dispensed with and such Minutes were approved.

Upon motion regularly made, seconded and unanimously carried, the Minutes of the Executive Session of April 13, 2005 were approved.

Commissioner Roberts invited members of the public to comment to the Board regarding matters not included in the Board's Agenda.

PUBLIC COMMENT

Roberta Simonton, appearing on behalf of the Citizens' Advisory Committee requested time at the next Board workshop to address issues regarding use of rates as a water conservation tool. Commissioner Roberts asked that staff include time on the May 25 Agenda to discuss the requested subject matter.

Commissioner Roberts asked that the water supply update be provided to the Board prior to its consideration of the Summer Water Use Program.

1. **ITEM VI-C-1: DISCUSSION AND INFORMATION: WATER SUPPLY UPDATE**

Mr. Pokorney reported the Board's reservoir contents had increased significantly from the April 13 meeting, primarily because of the recent snow and rain in the foothills areas of the South Platte River Basin. Mr. Pokorney explained that current estimates are that the Board's reservoirs will likely fill or come close to filling, with the exception of Antero and Wolford Mountain Reservoirs. While Antero and Wolford are not expected to fill, storage shortfall for those reservoir would account for less than 4% of the Board's total storage capacity. Mr. Pokorney reported water usage has continued at below-normal rates, and that since January 1, Denver Water's usage is 22% below the forecasted norm.

Mr. Waage then presented the Commissioners and the public with the Water Supply Update dated May 11, 2005, a copy of which is attached to and

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incorporated in these Minutes as Exhibit "A." Mr. Waage explained that while snow pack continues to be an indicator of potential runoff, cumulative precipitation above Denver Water's facilities is a better indication for forecasting water supply conditions. Denver Water's reservoirs are currently at 79% of full, and with normal precipitation reservoir contents are expected to increase to 95% of full by July 1.

2. **ITEM V-A-1: 2005 SUMMER WATER USE PROGRAM**

Ms. Gardener described the 2005 Summer Water Use Program. Ms. Gardener explained the proposed program emphasized promotion of long-term water conservation and included information regarding the weekly watering amount necessary for turf grass. Ms. Gardener explained Denver Water's website contains information regarding best management practices, and that Denver Water staff would be available to answer customer questions regarding water use. Postcards explaining the summer water use program are expected to be mailed within ten days of the Board's action. The program is limited to outdoor watering three days per week, with customers being urged not to use all three days, unless it is necessary.

Commissioner Roberts asked for public comment regarding the proposed watering program.

PUBLIC COMMENT REGARDING THE 2005 SUMMER WATER USE PROGRAM

Don Schlup of Scien-Turfic Sod thanked the Board and staff for the positive working relationship which had developed with the green industry during the last three years. Mr. Schlup commented that the emphasis on education described by Ms. Gardener was very important. Mr. Schlup provided copies of two brochures developed by Scien-Turfic for water users: Irrigation Recommendations for Established Blue Grass Lawns and Installation Guidelines for New Sod in a Drought.

Pat Fitzgerald, Chairman of the Distributors Forum, explained the Distributors Forum had not met to discuss the proposed water use program. On behalf of the Platte Canyon, Southwest Metropolitan and Bow-Mar Water Districts, Mr. Fitzgerald commented that the program is necessary and appropriate, but using assigned watering days would not, in his opinion, meet the goal of lowering water usage. Mr. Fitzgerald suggested customers be allowed to water whenever necessary and that they be cautioned to not water more frequently than every third day. Mr. Fitzgerald opined

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that the usage patterns developed in the last three years would continue to be followed.

Amy Livingston of the Colorado Environmental Coalition commended the Board and staff for the near-term strategy regarding water use and asked that a comprehensive long-term strategy for water conservation be developed. Ms. Livingston suggested that the plan include large residential water use audits, a year-round rebate program, and a rate structure that promotes water conservation.

Jerry Freyta, a home owner in northwest Denver, asked that the Board provide a hearing regarding an issue involving his water bill. Mr. Freyta explained that his property has an oversized meter, and he opined he is paying inordinately for fixed costs compared to water usage. Commissioner Roberts asked Ms. Bassett to meet with Mr. Freyta.

Brenda O'Brien, appearing on behalf of GreenCo, thanked the Board and staff for working with the GreenCo organizations during the last three years and asked that the Board continue to develop water conservation goals based on research and technology issues. Ms. O'Brien applauded the suggested water program based upon use of water according to the need of the plant.

Following public comments, the Commissioners discussed the proposed summer water use program, primarily with regard to the assignment of three watering days per week. The Commissioners concurred that continued conservation efforts would benefit the Denver Water system, and a way to encourage the conservation efforts would be to limit outside turf grass watering to only those times when watering was necessary. The Commissioners asked that the information be provided to the customers that the third day would be used only if needed. A motion was made and seconded to amend the program description in the Board Item to reflect that customers should water "no more than" three days, rather than leaving the impression that three days was the appropriate number. The key to efficient watering is to limit the amount of water applied. The proposed program will also include a customer notification program for those found to be either irrigating outside of their irrigation schedule, irrigating during the non-irrigation period in a day, or wasting water.

Whereupon, following extended discussion, the Board, upon motion regularly made, seconded and unanimously carried adopted the expanded definition of water waste in Section 12.01 of Chapter 12-Water Conservation of the Operating Rules all

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as more particularly described in Exhibit "B," attached to and incorporated in these Minutes; adopted a 2005 Summer Water Use Program including assignment of three watering days per week, instructions on efficient watering, references to additional resources, directed staff to develop a means by which customers could request information on water consumption at the mid-point of a bi-monthly billing period; and to instruct staff to develop a postcard to be mailed to all Denver Water users describing the elements of the 2005 Summer Water Use Program.

Commissioner Beardsley thanked members of the public and staff for their comments regarding the proposed 2005 program and commented that the Commissioners had developed a resolution to encourage and support conservation behavior.

Commissioner Gougeon read into the record the "Resolution of the Denver Water Board May 11, 2005," a copy of which is attached to and incorporated in these Minutes as Exhibit "C." Upon motion regularly made and seconded, the Commissioners unanimously approved the May 11 Resolution.¹

Upon motion regularly made, seconded and unanimously carried by the Commissioners then present, unless otherwise noted, the Board acted upon the following agenda items:

3. **ITEM V-B-1: AMENDMENT TO NONPOTABLE REUSE AGREEMENT WITH PSCO**

Approved Amendment to the December 16, 1997 Nonpotable Reuse Agreement with Public Service Company of Colorado regarding the rate to be paid by Public Service for recycled water beginning January 2006; modification of rates; and responsibility for payment of described infrastructure costs, all as more particularly described in the Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit "D."

Ms. Wells explained that adoption of the amendment would resolve the method for establishing rates for recycled water for water users outside of the Combined Service Area and would settle a dispute between Public Service and the Board.

¹ After the Board concluded its consideration of the Summer 2005 Water Use Program, Commissioner Roberts was excused from the meeting because of a pre-existing conflict. Commissioner Beardsley took over as chair of the meeting.

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4. **ITEM V-C-1: SERIES 2005 REVENUE BONDS**

Adopted a Resolution designated by the short title "5-11-05 Sale Resolution" to authorize the sale of water revenue bonds series 2005 in an aggregate amount not to exceed \$30 million and to reimburse the Board for amounts previously expended on part 1 capital projects, which Resolution is attached to and incorporated in these Minutes as Exhibit "E."

Ms. Kempke reported that the Reimbursement Resolution was made in accordance with the Board's December 17, 2003 Resolution. Although the sale of bonds normally occurs in September, staff is moving forward at this time in order to maintain cash reserves. Ms. Kempke introduced Georgeann Becker and Don Bieber of Becker Stowe & Bieber, LLC, bond counsel and Alan Mathias of George K. Baum & Co., financial advisor, who will assist Denver Water in the sale of the bonds. The sale is scheduled for June 21. A resolution ratifying terms of the sale will be brought to the Board at the June 22 study session in order to close on July 12.

5. **ITEM V-D-1: AWARD OF CONTRACT FOR 2005 PIPE REHABILITATION**

Authorized award of a contract to Spiniello Companies to undertake the 2005 Pipe Rehabilitation Project which includes approximately 28,300 linear feet of 6-inch through 24-inch diameter distribution main and facilities, at a cost to the Board not to exceed \$1,707,025.

6. **ITEM V-D-2: AWARD OF CONTRACT FOR ELEVEN MILE DAM OUTLET WORKS RENOVATION**

Authorized award of a contract to Glacier Construction Company, Inc. for the Eleven Mile Dam Outlet Works Renovation Project at a cost not to exceed \$2,446,900.

Mr. Weldon provided a short description of the project. The Eleven-Mile Canyon Reservoir was constructed in 1932. At the time the reservoir was constructed the range of flows necessary to be accommodated for the outlet works differed from the current range of flows. The existing outlet works is made up of three valves with a minimum outflow capacity of approximately 40 cfs and a maximum outflow capacity of approximately 1360 cfs. The new valve layout will consist of four valves with the smallest valve able to bypass approximately 3 cfs and a maximum outflow of approximately 1870 cfs.

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7. **ITEM V-D-3: RATIFICATION OF CONSTRUCTION CONTRACT
CHANGE ORDERS AND AMENDMENT TO AGREEMENTS**

Ratified Change Orders and Contract Amendments authorized by the Manager in March and April 2005 as follows: Change Order No. 3 to the contract with TC2 Construction Company for construction of the third caretaker residence at the Roberts Tunnel East Portal; Change Order No. 1 to the contract with CDM Constructors, Inc. for installation of electric actuators on Conduit 143; Change Order No. 1 to the contract with Murphy Company for installation of Pump No. 9 at the Hillcrest Pump Station; Third Amendment to the January 22, 2003 Agreement with GEI Consultants, Inc. regarding the Marston Treatment Plant; Amendment to the October 31, 2002 Contract with Toshiba Business Solutions for the color printer/copier in the Information Technology Data Center; and First Amendment to the October 15, 2004 Contract with Compel, Inc. for installation of the new telephone system, all as more particularly described in Agenda Item V-D-3 date May 11, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "F."

8. **ITEM V-D-4: GROSS RESERVOIR INTERGOVERNMENTAL
AGREEMENT WITH BOULDER COUNTY AND THE U S FOREST SERVICE**

Approved execution of an Intergovernmental Agreement and Memorandum of Understanding with the County of Boulder and the United States of America, acting by and through the United States Department of Agriculture, Forest Service, to set up a cooperative management system for the Gross Reservoir recreation area, including development of recreational rules and regulations and provision of appropriate law enforcement for the area, all as required by the Federal Energy Regulatory Commission license for the Gross Reservoir Hydro Power Plant, and as more particularly described in the Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "G."

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9. **ITEM V-D-5: APPROVAL OF THE THIRD EXTENSION OF THE STANDSTILL AGREEMENT WITH THE COLORADO RIVER WATER CONSERVATION DISTRICT AND SUMMIT COUNTY**
Approved the Third Amendment to Settlement Agreement with the Colorado River Water Conservation District and the Board of County Commissioners of the County of Summit, State of Colorado, extending the term of the "interim period" in the November 1, 2000 Settlement Agreement to July 31, 2005, all as more particularly described in the Third Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit "H."
10. **ITEM V-D-6: AMENDMENT TO PURCHASE AND SALE AGREEMENT WITH JACKIE M. AND BRIAN A. WILHELM AND THE SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT**
Authorized amendment to a Purchase and Sale Agreement with Brian A. Wilhelm and Jackie M. Wilhelm and the South Adams County Water and Sanitation District, regarding the purchase of two parcels of property from Brian A. and Jackie M. Wilhelm necessary for the downstream reservoir project, all as more particularly described in the Purchase and Sale Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "I."
11. **ITEM V-D-7: AGREEMENT TO ESTABLISH THE SOUTH PLATTE ENHANCEMENT FUND**
Approved an agreement establishing the South Platte Enhancement Fund, a donor-advised fund of the Denver Foundation, and authorized the initial contribution to the fund of \$200,000 for the year 2005, all as more particularly described in the Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "J."

Mr. Pokorney explained that under the terms of the South Platte Protection Plan, an endowment fund of \$1,000,000 is to be created by water suppliers and local governments. The earnings from the endowment will be used to protect important river values. Contributions to the endowment will be made over a three-year period beginning in 2005. The Denver Foundation will manage and invest the funds and distribute the earnings in accordance with the directions of the South Platte River Enhancement Board, which is made up of representatives of a number of entities including Denver Water. Ms. Wells explained that all of the parties will be required to sign the agreement

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establishing the fund. A list of contributors and the amount of their contribution over the three-year period was provided to the Commissioners and is attached to and incorporated in these Minutes as Exhibit "K."

12. **ITEM V-D-8: AWARD OF CONTRACT FOR RENTAL OF TEMPORARY TRAFFIC CONTROL BARRICADE AND FLAG PERSONNEL SERVICES**

Authorized the award of a contract to Warning Lites, Inc. to provide rental of temporary traffic control barricades and flag personnel services for the period June 1, 2007 through May 31, 2005, on a 24-hour, 7-day per week basis, at the unit prices set forth in the tabulation of Bidder's Proposal No. 08216A, dated April 26, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "L," for a total amount not to exceed \$900,000, such award being based upon best price, compliance with specifications, and acceptable delivery.

13. **ITEM V-D-9: ADDITION OF FUNDS FOR DISPOSAL OF SPOILS**

Approved payment of an additional amount not to exceed \$200,000, to cover costs under the February 1, 2003 contract with Browning-Ferris Industries for disposal of solid waste from Denver Water construction sites for a total contract amount not to exceed \$625,000.

14. **ITEM V-D-10: ADDITION OF FUNDS FOR RENTAL OF BARRICADES AND REQUIREMENTS FOR FLAG PERSONNEL**

Approved payment of an additional amount, not to exceed \$200,000 to cover costs against the May 15, 2001 Contract with American Barricade Rental for rental of temporary traffic control barricades and requirements for flag personnel through May 31, 2005, for a total contract amount not to exceed \$1.9 million.

15. **ITEM V-D-11: PURCHASE OF LOADER**

Authorized purchase of a 2004 John Deere 544 J Wheel Loader from Colorado Machinery, less trade-in of a John Deere 544E unit and rental credit for a total net cost to the Board of \$81,334, purchase price to include the remaining four years of a five-year or 3,000-hour warranty for the power training hydraulic system.

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16. **ITEM V-D-12: PURCHASE OF VEHICLES**

Authorized purchase of vehicles under the Colorado Department of Transportation Master Vehicle Contract and the Colorado State Contract for Mechanical Service Bodies and Cranes as described in Agenda Item V-D-12, dated May 11, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "M" from the following dealerships: Item 1 from McCandless International (Navistar, Inc.) in the amount of \$101,490, less two trade-ins of \$21,000, total contract amount of \$80,490; Item 2 from O.J. Watson in the amount of \$42,400; and Item 3 from Kersten Trailer Sales in the amount of \$32,477, for total cost to the Board of all vehicles not to exceed \$155,367.

17. **ITEM V-D-13: CONTRACT WITH SYSTEMS & SOFTWARE, INC. FOR LICENSING, AND IMPLEMENTATION OF CIS APPLICATION SOFTWARE PRODUCTS**

Approved entering into an information system agreement with Systems and Software, Inc. for the licensing and implementation, annual maintenance and support of application software products for the new Customer Information System at a cost to the Board not to exceed \$6,400,000, all as more particularly described in the Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "N."

Patti Miller and Cecil Richards of the Customer Care Section addressed specific business requirements of the new Customer Information System, and the anticipated ability of the new system to address those needs. The new system is planned to address more than 800 business needs of the organization. David Decker, representative of Systems and Software, Inc. opined that the contract will benefit both the Board and the vendor, that the goals, objectives, tasks, deliverables and timelines are accurately set forth and in 30 years of experience, the vendor had never failed to deliver the necessary work product under budget and on time. Mr. Dermody explained he needed to contract with additional personnel to provide oversight capacity and audit capacity while the new application is coming online. The targeted cut-over date for the new system is the Fourth Quarter of 2006.

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18. **ITEM V-D-14: CAPITOL HILL STORAGE AND MONTCLAIR PUMPING FACILITIES FOR THE RECYCLED DISTRIBUTION SYSTEM**

Approved entering into an Agreement with Bates Engineering, Inc. for the design of the Capitol Hill storage and Montclair Pumping facilities necessary for the recycled water distribution system at a cost not to exceed \$582,660, all as more particularly described in the Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "O."

Mr. Garcia described the need for storage and pumping for the recycled water system as it extends into the Lowry and Stapleton Redevelopment areas. Facilities are required for the load season of 2007. Existing facilities at Capitol Hill and Montclair were designed and operated for the potable water system. Those facilities will be replaced with new facilities designed to be integrated with the recycled water distribution system.

19. **ITEM V-D-15: AWARD OF CONTRACT FOR DESIGN/BUILD OF FIRE SYSTEM MODIFICATIONS AT FOOTHILLS TREATMENT PLANT**

Authorized award of a contract to Central Fire Protection Contractors, Inc. for the design and installation of fire system modifications at the Foothills Treatment Plant, at a cost to the Board not to exceed \$476,319.

20. **ITEM V-E-1: HUMAN RESOURCE CHANGES**

Approved the human resource changes set forth in Agenda Item V-E-1 dated May 11, 2005, a copy of which is attached to and incorporated in these minutes as Exhibit "P," effective the pay period ending **May 6, 2005** unless otherwise noted.

21. **ITEM V-E-2: EMPLOYEES ELIGIBLE FOR REGULAR STATUS**

The following employees were classified as regular employees of the Board, with all rights and privileges thereof, effective **June 1, 2005**, unless otherwise noted:

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Employee Name	Employment Date	Retirement Plan Participation Date Unless otherwise noted^	Division/Section
Jeffrey Lucero	11/18/2004	11/18/2004	Water Rights #330
Holly Geist	11/08/2004	11/08/2004	Records & Document Admin. #443
Nathaniel Biletnikoff	11/15/2004	03/19/2004	Recycled Water Plant #650
Colin Taylor	12/01/2004	12/01/2004	Recycled Water Plant #650
Stephen Sanborn	06/14/2004	06/14/2004	Buildings Maintenance #870

22. ITEM V-F-3: PROJECT EMPLOYEE CONTRACT

The following Project Employee Contract was approved:

Employee Name, ID# Title, Salary, Std Hrs.	Estimated Completion Date	Estimated Salary Cost	Division/Section, Project
Patrick R. Boltres IT Support Technician III \$26.80/Hr. – IT-05, Step 3 Full-Time Status, 40 Standard Hours	2 Years	\$55,752	Infor. Technology #160

23. ITEM VI-B-1: DISCUSSION AND INFORMATION: LEGISLATIVE MATTERS

Ms. Duncan provided a short overview of the 2005 legislative session and described some of the interim committees which will be meeting to discuss water-related issues.

24. ITEM VI-B-2: DISCUSSION AND INFORMATION: AUDITED FINANCIAL STATEMENTS FROM GRANT THORNTON

Mr. LaFrance introduced Dennis Yockey and Jodie Cates of the firm of Grant, Thornton, LLP, Denver Water's external auditor for 2004. Mr. LaFrance reported the Board had received a clean audit opinion for 2004. Grant Thornton also performed audits on the Retirement Plan, the 457 Deferred Compensation Plan and the 401(k) Supplemental Retirement Savings Plan, and all three plans had clean audits as well. Mr. LaFrance explained that Denver Water staff had implemented recommendations made by the external

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auditor in 2004 and was working to address the recommendations made for 2005.²

25. **ITEM VI-F-1: DISCUSSION AND INFORMATION: STATUS OF THE INVESTMENT PORTFOLIO**

The Commissioners received the report, "Denver Water Investment Portfolio as of April 29, 2005" as set forth in Agenda Item VI-F-1 dated May 11, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "Q."

26. **ITEM VI-F-2: DISCUSSION AND INFORMATION: MANAGER'S OPERATION REPORT**

The Commissioners received the Manager's Operation Report dated May 11, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "R," which consists of the following individual items:

1. Water Use and Supply Reports
2. Status of Contract Work
3. Status of Consultant Services

27. **ITEM VI-F-3: DISCUSSION AND INFORMATION: BUDGET STATUS REPORT**

The Commissioners received the 2005 Budget Status Summary for the period ending April 30, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "S."

28. **ITEM VI-G-1: SCHEDULING OF FUTURE BOARD MEETINGS**

The Board confirmed the next Regular meeting would be a Study Session to take place on **Wednesday, May 25, 2005, at 9:00 a.m.** in the Three Stone Buildings, 1600 W. 12th Avenue, Denver, Colorado. The session will include a presentation by the Citizens' Advisory Committee regarding water rates.

The Regular meetings in June will be held **June 8** and **June 22**.

The Board tentatively scheduled its first Regular meeting for **July 13, 2005** to be held at the Keystone Resort. If the meeting is held at Keystone, a portion

² After the report of the External Auditor, Commissioner Kirk was excused from the meeting.

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of the meeting will be held in conjunction with the Board of the Colorado River Water Conservation District.

No further business appearing, the Board voted unanimously to adjourn into Executive Session at approximately 12:10 p.m.

EXECUTIVE SESSION

On Wednesday, May 11, 2005, commencing approximately at 12:15 p.m. in the Manager's Office, located in the Administration Building, 1600 West 12th Avenue, Denver, Colorado, the Board of Water Commissioners met in Executive Session. The following matters which are authorized by C.R.S. § 24-6-402 or D.R.M.C. § 2-34 were discussed during the Executive Session:

1. Litigation § 24-6-402(4)(b)
2. Negotiations § 24-6-402(4)(e)
3. Property Transactions § 24-6-402(4)(a)

There being nothing further for the Board to consider, the Executive Session concluded at approximately 12:43 p.m.

President

Secretary